



DEPARTMENT OF THE NAVY

NAVAL AIR SYSTEMS COMMAND  
NAVAL AIR SYSTEMS COMMAND HEADQUARTERS  
WASHINGTON, DC 20361 -0001

IN REPLY REFER TO

NAVAIRINST 4200.35  
AIR-4113  
6 Dec 91

NAVAIR INSTRUCTION 4200.35

From: Commander, Naval Air Systems Command

Subj: COMPETITION BETWEEN PUBLIC ACTIVITIES AND PRIVATE OFFERORS

- Ref: (a) Public Law 98-369, Competition in Contracting Act of 84  
(b) NAVAIRINST 4200.24A, Selection of Contractual Sources for Major Aircraft and Missile Systems Acquisition  
(c) NAVAIRINST 4200.27A, Selection of Contractual Sources for Less-Than-Major Competitive Acquisitions  
(d) Operating Agreement Between Commander Naval Air Systems Command and the Program Executive Officers of 16 Aug 90  
(e) NAVCOMPINST 7600.29, Financial Policies Regarding Gains and Losses on Workload Subject to Public/Private Competitions at Industrially Funded (IF) Activities

Encl: (1) Guidelines for Conducting and Administering Competitions Between Public and Private Offerors for Depot Maintenance Services

1. Purpose. To establish policy, assign responsibilities, and provide guidance by which the Naval Air Systems Command (NAVAIR) will determine, conduct, and administer competitive procurements between the public sector depot maintenance activities and private companies.

2. Cancellation. This instruction cancels NAVAIR Notice 4200 of 20 July 1987.

3. Scope. This instruction applies to selected procurements for the alteration, overhaul, modification, retrofit, repair and manufacture of naval aviation weapon systems, sub-systems, trainers, spares, and equipment funded by all appropriations.

4. Background. Congress annually authorizes the competition between public and private depot maintenance activities. Initially, Congress appropriated funds for Public-Private (P/P) competition of naval aviation depot maintenance in the fiscal year (FY) 1987 Department of Defense (DOD) Appropriation Act. The FY 1988 DOD Appropriations Act provided additional authority to include manufacturing in order to compete for production contracts of defense articles. The annual legislation has exempted P/P competition from the Office of Management



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and Budget Circular A-76. It is expected that subsequent legislation will continue to exempt P/P competitions from Circular A-76.

5. Policy. Consistent with the enactment of reference (a), it is NAVAIR policy to promote competition between public activities and private industry to reduce/control costs, encourage quality improvements, enhance depot industrial performance, and expand both the organic and commercial industrial base with the technical skills and resources vital to supporting naval aviation readiness and mobilization requirements. P/P competitions will be conducted following the procedures of references (b), (c), and (d), and enclosure (1) guidelines to ensure a fair and equitable competition between public and private competitors.

a. Competitions will be structured to provide the best value to the Government, all factors considered.

b. Solicitation documentation, proposal evaluation, and source selection documentation for all P/P competitions will be clearly separated from public activity proposal preparation, review, and submission in order to maintain a process void of potential for and appearances of conflicts of interests.

c. All individuals involved in the planning or conduct of the competition will sign a Certificate of Nondisclosure and Statement of Financial Interest. A sample is provided in enclosure (1), attachment A.

d. Formal source selection procedures contained in reference (b) or (c) will be followed for all P/P competitions, unless directed otherwise by the Commander, Naval Air Systems Command (COMNAVAIR) or the cognizant Program Executive Officer (PEO).

e. Costs will be evaluated for realism and/or reasonableness.

f. In addition to price evaluation, cost comparability will be performed following the DOD cost comparability handbook. If a public offeror is selected, assignment will be made after the Navy certifies to Congress that the successful offer includes comparable estimates of all direct and indirect costs for both the public and private proposals.

g. Contracts awarded to private offerors will be executed following federal acquisition regulations. Contract administration will be assigned to the cognizant defense contract management activity in the case of a private sector award. For efforts issued to public activities, on-site work assignment

document administration will be accomplished as designated by the NAVAIR Procuring Contracting Officer (PCO).

h. As the Government does not contract with itself, should a competitive workload be won by a public activity, NAVAIR will issue a work assignment document to that activity. The work assignment document will include the same statement of work, price structure, and schedule as the competed solicitation as well as procedures which are applicable to a public activity. Although the work assignment document will not be subject to provisions, terms, and conditions of federal acquisition regulations, it will be administered following with the terms and conditions within the document as if it were, in fact, a contract.

## 6. Responsibilities

a. Deputy Commander for Acquisition and Operations (AIR-01) or the cognizant PEO for procurement programs will

- (1) encourage and promote P/P competition;
- (2) review and approve specific programs recommended for P/P competition;
- (3) ensure the resources necessary to conduct competitions are made available; and
- (4) designate a program manager (PMA) as the manager for other than Operation and Maintenance, Navy (O&M,N) funded requirements.

a. Assistant Commander for Contracts (AIR-02) will

- (1) encourage and promote P/P competition;
- (2) review, jointly with the NAVAIR assistant commanders, the specific programs recommended for P/P competition;
- (3) ensure the resources necessary to conduct competitions are made available;
- (4) perform PCO functions prior to competition award;
- (5) provide, upon competition assignment/award to either public or private sector, written delegation assigning contracting administration responsibilities and authority to a designated activity; and

(6) adjudicate disputes.

a. Assistant Commander for Fleet Support and Field Activity Management (AIR-04) will

- (1) encourage and promote P/P competition;
- (2) review, jointly with the NAVAIR assistant commanders, the specific programs recommended for P/P competition;
- (3) ensure the resources necessary to conduct P/P competitions are made available;
- (4) provide logistics and maintenance technical support to assist the acquisition manager in preparing solicitation documentation;
- (5) recommend criteria to be used to identify candidate programs for depot competition; and
- (6) maintain a Depot Maintenance Competition Advocacy Office (AIR-04C) to be the NAVAIR official to promote P/P competitions.

d. AIR-04C will

- (1) serve as the project manager for O&M,N funded requirements;
- (2) manage and coordinate the P/P competition program for naval aviation depot level maintenance;
- (3) develop and ensure compliance with policy, plans, and procedures for coordinating competitions between public and private sector depot activities;
- (4) propose long range P/P competition strategy, recommend candidate programs for P/P competition to assistant commanders and PEO's for approval, and notify NAVAIR/PEO management personnel of upcoming P/P competitions;
- (5) advocate use of P/P competition in acquisition planning for select depot maintenance services;
- (6) evaluate P/P competition progress and results; and
- (7) document lessons learned for application to subsequent competitions.

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e. Competition Requirements Program Evaluation Office (AIR-4113) will assist the NAVAIR/PEO project/program manager in fulfilling source selection responsibilities. The CRPEO will assist the program/project manager and PCO in developing the Request for Proposal (RFP) by assembling personnel with the necessary technical expertise from NAVAIR and supporting organizations to develop the statement of work and schedule for the RFP.

f. Deputy Assistant Commander for Aviation Depots (AIR-43) will

(1) evaluate and select, based on capability and capacity, the naval aviation depot(s) (NAVAVNDEPOT(s)) to submit formal proposals for competitive solicitations;

(2) provide corporate guidance and monitor the development, preparation, and submission of NAVAVNDEPOT competitive proposals;

(3) ensure NAVAVNDEPOT compliance with financial, manpower, and material policy/guidelines during the conduct of P/P competition;

(4) ensure NAVAVNDEPOT's have adequate financial systems to manage and report costs;

(5) refrain from participating in the source selection process for P/P competitions; and

(6) recommend core requirements, with matrix concurrence, to COMNAVAIR/PEO for approval.

g. Assistant Commander for Systems and Engineering (AIR-05) will

(1) encourage and promote P/P competition;

(2) review, jointly with the NAVAIR assistant commanders, the specific programs recommended for P/P competition;

(3) ensure the resources necessary to conduct competitions are made available;

(4) manage NAVAIR/PEO P/P source selection evaluations following systems acquisition procedures defined in references (b) and (c);

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(5) analyze proposed cost to determine whether they are realistic and/or reasonable; and

(6) manage and direct the process to selectively reverse engineer specifications where proprietary technical data hinders effective P/P competition.

h. Comptroller (AIR-08) will

(1) provide data and analyses of the public activity's direct and indirect labor and overhead rates and manhours and materials to the Source Selection Evaluation Board (SSEB) Cost Team Leader per references (b) and (c);

(2) conduct comparability related analysis and provide results to the SSEB which will allow a valid comparison of cost proposals submitted by public and private offerors;

(3) following direction of the program/project manager, issue appropriate funding documents for execution of competed work; and

(4) assist in developing financial guidance that implements Navy and NAVAIR policy as it relates specifically to P/P competition.

i. Program/Project Managers will

(1) develop acquisition strategy for assigned programs and provide approved strategy to AIR-04C for incorporation into the depot competition business plan;

(2) oversee RFP development and provide advice and consultation during the source selection process;

(3) in cooperation with the NAVAIR PCO, provide management direction on execution and administrative activities for depot competition program work assignment documents or contracts assigned or awarded to public or private activities;

(4) as required, identify, select, and fund, with the assistance of AIR-08, the resources required for on-site administration of work assignment documents;

(5) ensure that the Requiring Financial Manager (RFM) provides funds to meet the government minimum obligation for competitively awarded depot workload, whether it is won by a public or private competitor; and

(6) determine the requirement for and establish the billet for a program manager representative (PMR). The PMR will perform assigned responsibilities per the authorities granted by the program/project manager, and within the general scope of the work assignment document.

j. NAVAVNDEPOT Product Support Directorates (PSD's) will

(1) ensure applicable maintenance and technical specifications are current and complete;

(2) recommend appropriate changes to the technical requirements; and

(3) provide, technical support personnel to NAVAIR/PEO during the development of solicitation technical documentation if requested. Participation by these personnel will follow the procedures identified at that time, and with full understanding of all restrictions that will be imposed upon these personnel participating in this capacity during the competition.

7. Action. All personnel participating in P/P competitive acquisitions will comply with the requirements of this instruction.

8. Reports. The competition program quarterly financial report and quarterly competition progress report, cited in paragraph 6g of enclosure (1) are exempt from reports control by SECNAV Instruction 5214.2B and requires no report symbol.

  
W. C. BOWES

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GUIDELINES FOR CONDUCTING AND ADMINISTERING  
COMPETITIONS BETWEEN PUBLIC AND PRIVATE OFFERORS  
FOR DEPOT MAINTENANCE SERVICES

1. Competition Process

a. The competition process will ensure that the defense mobilization base is protected, and that all the ramifications of P/P competition are evaluated. Although P/P competition is capable of providing numerous benefits, there may also be significant costs to both conduct and engage in specific competitions. The program/project manager with technical assistance from AIR-04/AIR-05 personnel, will evaluate public sector depot maintenance capability and capacity, program technical requirements, program schedules, and risks prior to initiating a procurement request to compete the depot program between a public activity and commercial sources.

b. The following guidelines outline the basic process to be followed in conducting a competition between public facilities and private offerors for performing depot level work on naval aviation weapon systems. The services that can be competed include Standard Depot Level Maintenance, major modifications, block upgrades, retrofit, service life extension programs, engine overhaul and repair, missile maintenance, and fabrication of parts to produce modification kits. Efforts to be competed are to be identified during the appropriate programming and budgeting cycle. Contracts awarded to private offerors resulting from successful proposals during P/P competition will be executed following current acquisition laws, regulations, and instructions. These post-award contract administration responsibilities and functions are defined in other policy statements and guidance documents. Therefore, the primary focus of the following paragraphs will be on those procedures pertaining primarily to implementation of competition workloads issued as a result of a successful public activity's proposal.

2. Selection and Approval of Candidate Systems

a. All planned or currently postured commercial or organic depot requirements above the core requirements will be reviewed to determine its suitability as a candidate for P/P competition. AIR-04C, with input from the appropriate PEO's/PMA's when considering Aircraft Procurement Navy and Weapon Procurement Navy requirements (i.e., major mod/upgrade), the Logistics Management Division (AIR-410) for engine requirements, and the Depot Posture Planning Executive Board, will recommend suitable P/P candidates for AIR-01, AIR-02, AIR-04, and AIR-05, or appropriate assistant

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PEO concurrence. The candidate programs will be forwarded to COMNAVAIR/PEO as appropriate for approval. The approved candidate program will then be incorporated in the next version of the Depot Corporate Business plan.

b. AIR-04C will, with input from other cognizant NAVAIR functional managers, establish a 5 year plan for P/P competition. A portion of the P/P competition will be achieved through initiatives on the part of program/project managers to use P/P competition as an acquisition strategy. AIR-04C will review all Acquisition Plans (AP's) to determine whether P/P competition is appropriate, and assess the potential for future competitive acquisition using the P/P competition strategy. In addition, performance on depot maintenance programs currently postured, and those with expiring contractual coverage, will be reviewed to determine whether cost or quality improvements or other benefits could be derived from competing the work between public and private offerors.

c. For programs selected for P/P competition which involve a NAVAVNDEPOT, AIR-43 will determine which NAVAVNDEPOT will submit a proposal in response to the solicitation. Teaming arrangements, with a lead and participating NAVAVNDEPOT, will be considered if this strategy provides economic or programmatic benefits. Teaming arrangements between public and private activities is not permissible. If a teaming arrangement is approved by AIR-43, the specific work to be performed by each depot will be evaluated during the source selection process. If the workload is issued to the NAVAVNDEPOT team, the lead depot will be fully responsible for performance.

### 3. Source Selection Process

a. The responsibilities, procedures, and requirements for formal source selections defined in reference (a) or (b) will be applicable for all P/P competitions, unless otherwise directed by COMNAVAIR/PEO.

b. The roles and responsibilities within NAVAIR/PEO related to development of solicitation documents, preparation of proposals, evaluation of proposals, and source selection will be separated to remove the potential for conflicts of interest. During the period of competition, AIR-43 and the NAVAVNDEPOT's will be functionally separated from the procuring activity for all issues relating to competitions. Individuals participating in the preparation of solicitation documents and evaluation of proposals are considered procurement officials, and must have signed the appropriate procurement integrity certification. In addition, participants in the competition source selection

process will be required to sign a Certificate of Non-Disclosure and Statement of Financial Interest. A sample of this certification is provided in attachment A.

c. As part of the proposal evaluation, NAVAIR will examine proposals for cost realism and/or reasonableness. The objective of the examination is to determine whether the offeror's proposed price reflects complete, reasonable, and realistic costs sufficient to recover the offeror's cost to accomplish work identified in the solicitation. Areas analyzed will include manhours, direct labor rates, overhead rates, and material costs. Historical data on repair costs and manhours, as well as budget data and estimates, can form the basis for analyzing the proposal.

d. During the cost evaluation process, a cost comparability assessment will be completed. The cost comparability is an analysis which ensures that costs are comparable between the public and private offerors. The analysis focuses on several adjustment factors used to equate, as closely as possible, a public offer cost proposal with the private sector proposal(s). Cost comparability will be performed following the Defense Depot Maintenance Council's Cost Comparability Handbook of 9 August 1991. A listing of cost comparability factors is provided as attachment B. Public activities must include in their proposals the necessary information for the command to perform the comparability adjustment.

e. Upon completion of the evaluation, the Source Selection Authority will identify the successful offeror and advise the Secretary of Navy (SECNAV), via the Assistant Secretary of Navy, Research, Development, and Acquisition (ASSTSECNAV RD&A), of the results of the cost comparability and cost realism analyses. SECNAV will certify to Congress that the successful offer includes comparable estimates of all direct and indirect costs for both public and private offerors. Upon SECNAV certification to the Chairman of the House and Senate Defense Subcommittees, Committee of Appropriations, and Committee on Armed Services, either a contract is awarded, if the private sector offeror is the winner, or an assignment is made to the successful public activity.

### 3. Administration of Competitively Awarded Workload

a. Contracts awarded to private offerors will be executed following federal acquisition regulations. Contract administration will be assigned to the cognizant defense contract management activity in the case of a private sector award. Similarly, if the successful offeror is a public activity, an

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agent is required to ensure that the performance requirements of the work assignment document are followed while the activity performs the work assigned.

b. Request for proposals will require fixed pricing for as much of the work as practicable to minimize the effort in administering a contract or work assignment document, and to reduce risk to the Navy.

4. The Work Assignment Document (WAD). The work assignment document issued to the public activity will be the sole controlling document, within the limitations of the funding document, for the work to be performed. While the document is not a contract, it is an agreement between NAVAIR/PEO and a public activity.

a. The public activity agrees to:

- (1) perform to a specified statement of work;
- (2) deliver the product following with a delivery schedule;
- (3) complete the work at the price/cost bid in their proposal; and
- (4) perform the work following specified requirements.

b. NAVAIR/PEO agrees to fund the approved work performed.

## 5. Disputes

a. Should disputes arise, the public activity will fully document the issues of the dispute, and provide a clear explanation of the position they have taken and their justification for supporting that position. The public activity will forward this documentation to the PCO with a written request for a determination. A concurrent copy should be provided to the agent administering the WAD. Within 15 calendar days, the WAD administering agent will document the basis for the position he/she has taken that the public activity challenges, and forward this, with pertinent supporting documentation, to the PCO.

b. The PCO will review the dispute, request any additional documentation, and conduct discussions with the WAD administering agent to clarify any ambiguities or inconsistencies in the documents submitted. The PCO will submit a written determination

on the dispute within 45 calendar days after receipt of the initial written request and documentation provided by the administering agent. The written determination will provide detailed rationale and supporting information.

c. If the public activity is not satisfied with the determination provided by the PCO, it may appeal the case to NAVAIR (AIR-02) within 60 calendar days of receipt of the PCO determination. The public activity should forward their appeal and supporting documentation to NAVAIR (AIR-02) with concurrent copy to the WAD administering agent. The supporting documentation should include a detailed justification for the public activity position, all correspondence relating to the appeal, and any other documentation necessary to make a final determination. A final determination on the appeal will be provided within 60 days of receipt of the appeal. Ultimately, if needed, appeals will be decided by COMNAVAIR/PEO, or their designated representative depending on who has management and funding control of the competed program.

6. Financial Management. The Comptroller of the Navy has established financial policies regarding bid preparation for gains and losses per references (c) and (e) on workload subject to P/P competitions at industrially funded activities. Consistent with this Navy policy, the following specific financial guidance and procedures are provided for the public activity.

a. General

(1) When preparing proposals, all public offerors should estimate a reasonable workload allocation base. This includes all core workload plus a best estimate of the workload resulting from P/P competition. A "best estimate" is a judgment of how much of the work earmarked for competition a Navy facility will compete for and expect to win. AIR-43 will provide additional guidance to each NAVAVNDEPOT during bid preparation.

(2) Cost accounting standards will be followed.

(3) Proposals will only include estimated costs for the work specified in the Statement of Work (SOW).

(4) Cost elements and allocation procedures for overhead expenses will be the same for all work.

(5) Noncompetitive workload will not be used to finance costs that, according to generally accepted accounting principles, should be a proper cost to the competitive workload.

(6) Price proposals should be based on the best estimate of costs at the time the work is to be performed, and reflect the same workload base, cost allocation procedures, and economic assumptions as used in pricing other work at the activity.

(7) Management discounts or other "bottom-line" adjustments to price may not be offered.

(8) Information specifically related to the development of rates and prices must be appropriately marked and handled as "Business Sensitive."

(9) A work assignment document will be issued by the PCO to any public activity that wins competitive work. The work assignment document will contain the SOW, schedule, and appropriate procedures that specify performance requirements under which the activity will execute the work. Funds will be issued per the WAD.

b. Cost Proposal Development. A rate per direct labor hour will be developed for the proposed work. This labor rate will be independent of any previously established rates developed in the Defense Business Operations Funds (DBOF)/Navy Industrial Fund (NIF) A-11 budget. Appropriate material and other costs will be added to the total labor and overhead to arrive at a bid price. Bid prices will be based on unit costs.

c. Gains and Losses. Cost proposals will not include a gain or a loss. A gain is an excess of revenue over costs incurred. A gain occurs when the contract workload is executed below the contract cost estimate. A loss occurs when costs incurred exceed revenue, yielding a reduction in accumulated operating results.

(1) Gains incurred during execution of the work will be retained and separately identified. AIR-08, working in conjunction with the RFM and Navy Comptroller, will provide guidance concerning the disposition of gains.

(2) To the extent that the cost of the work exceeds the difference between the bid price and discretionary costs, discretionary costs will be reduced accordingly.

(3) Should it become evident during the execution of the competition workload that a loss will occur, the public activity will fully document the issues associated with the loss. If informal discussions with appropriate NAVAIR/PEO offices fail to resolve the loss, then follow dispute procedures for obtaining a

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determination concerning responsibility for the loss. Losses will be recovered following the guidelines contained in reference (e).

d. Discretionary Costs

(1) Discretionary costs, which are employee cash incentive payments and capital equipment purchases, may be included in a cost proposal. No other costs may be included as a discretionary cost unless authorized in advance by AIR-08. A schedule of discretionary costs must be submitted to the RFM for review and approved by AIR-08 upon award of the competition workload.

(2) Discretionary costs are not considered gains. They are part of the cost of doing business. If discretionary costs are included in the cost proposal, they may be incurred (e.g., bonuses paid out) incrementally as the progress of the performing activity warrants. A portion of the discretionary cost will be held back until completion of the total work assignment. If performance of the public activity is not consistent with the WAD, discretionary costs will not be incurred. This approach will ensure full performance by the public activity and retain funds to offset potential losses in a later part of the effort.

(3) Discretionary costs will be adjusted downward to compensate for cost overruns in other areas of the proposal. If the total cost of the proposal is exceeded, resulting in a net loss, the procedures in paragraph 6c(3) apply.

e. Overhead

(1) No cost may be allocated to a final product under competition as an indirect cost if similar costs are charged as direct to the same or similar products not under competition (i.e., allocation procedures must be rational and consistent).

(2) General and Administrative (G&A) overhead expense will be applied to all effort. Any changes in the method for developing G&A rates will be applied equally to all effort.

(3) Changes in overhead expense development and allocation procedures directed subsequent to a competitive cost proposal will apply to the competitive workload during execution. Any gains or losses caused by these changes will be included in the final accounting of actual costs against the contract bid price.

(4) Production overhead expenses will be applied to the benefitting product.

(5) Capital Purchase Program and any other administratively applied surcharge, other than that imposed to recover losses on prior competitive bids, will not be included when pricing competition proposals.

f. Over-and-Above Work

(1) Competition cost proposals will be based on the specific SOW in the solicitation document. Any work requirement identified subsequent to the award of a contract is considered to be over and above the contracted workload.

(2) Costs associated with over-and-above work must be separately accounted for, and capable of audit.

g. Reporting and Audit. All costs and revenue applicable to competitive workload will be separately reported, accounted for, and capable of audit. The information in the format indicated in attachment C will be submitted by each DBOF/NIF activity performing competitively issued workload. The report will be provided each quarter directly to the NAVAIR (AIR-8021) for review and analysis of the program to be received not later than 10 working days after each quarter. In addition, the administering agent will provide a separate report each quarter to NAVAIR (AIR-8021) for each competition in the format contained in attachment D.



SAMPLE CERTIFICATE OF NONDISCLOSURE AND STATEMENT OF FINANCIAL INTEREST

FOR OFFICIAL USE ONLY

COMPETITION SENSITIVE

From: \_\_\_\_\_  
(Please print last name first)

To: \_\_\_\_\_ (Program) \_\_\_\_\_ SSEB Security Officer (AIR- )

Subj: CERTIFICATE OF NONDISCLOSURE AND FINANCIAL INTEREST

1. I have read and understood the requirements of:

- a. \_\_\_\_\_ (Program) Source Selection Plan
- b. SECNAVINST 5720.42c, "Department of Navy Freedom of Information Act Program" (particularly paragraph 8, "For Official Use Only")

2. I agree that I will not disclose any information concerning this source selection process to: (a) any offerors or potential offerors (including subcontractors) except as authorized by the contracting officer as part of any discussions; (b) any person outside DOD (e.g., trade association representatives, reporters); and (c) any person within DOD (including superiors, supervisors and associates) unless, prior to any disclosure, I have obtained approval to disclose necessary information from the Source Selection Advisory Council (SSAC) Chairman or the Source Selection Evaluation Board (SSEB) or Procurement Review Board (PRB) Chairman, as applicable, and I have obtained a Certificate of Non-Disclosure and Financial Interest (Certificate) for this source selection from the person to whom disclosure has been approved or I have verified that a Certificate for this source selection is on file with \_\_\_\_\_ (Program) \_\_\_\_\_ Security Officer for that person.

3. I understand my obligation not to disclose information includes (a) information and proposals received from the \_\_\_\_\_ (Program) offerors; (b) the methods or procedures being used by SSAC, SSEB or PRB to evaluate offerors' proposals; (c) the standards, ratings or scores used in the evaluation process; (d) the substance of any discussions with any offerors; and (e) any decision of the Source Selection Authority (unless and until such decision is publicly announced).

4. To the best of my knowledge, neither I, my spouse, nor any minor child of mine or my spouse, has a direct or indirect financial interest in any of the firms or subcontractors of such firms expected to submit a proposal for consideration by the \_\_\_\_\_ (Program) SSAC, SSEB or PRB, nor am I negotiating for employment with any such firm.

ATTACHMENT A  
Encl (1)

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5. In the event I later become aware of such financial interest, I agree to report this fact immediately to the SSAC, SSEB or PRB Chairman, as applicable, particularly for the purpose of disqualifying myself from any further participation in this source selection. If I am disqualified or otherwise removed from the source selection process, I agree that I will not disclose any information described above.

6. Further, I understand that failure to comply with the above requirements will result in dismissal from this source selection and may result disciplinary action and referral for civil or criminal action.

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(Participant's Signature)

---

(Date)

ATTACHMENT A  
Encl (1)

SUMMARY OF PUBLIC/COMPARABILITY ADJUSTMENTS

	Public/Private Bid Adjustment	Public/Public Bid Adjustment
Test Pilots	-	0
Supply Functions	-	-
Engineering - Design Support to Production	-	-
Commercial Activities (A76)	-	0
Industrial Health Services	+ (A,N,MC)	+ (A,N,MC)
Central System Design, Development & Maintenance	+(A)	+(A)
Contract Administration (1)	+	0
Mobilization Planning	-	0
Facilities Maintenance and Repair	- (tenant)	- (tenant)
Motor Pool/Vehicle Maint	0	- (A,N)
PMEL/Calibration	0	+(A)
Unfunded Civilian Retirement	+	0
Military Duty	-	-
Real Property - MCP	+	0

ATTACHMENT B  
Encl (1)

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SUMMARY OF PUBLIC/COMPARABILITY ADJUSTMENTS (CONT.)

LEGEND:

(-) COMPARABILITY ADJUSTMENTS DEDUCTED FROM BID PRICE  
(+) COMPARABILITY ADJUSTMENTS ADDED TO BID PRICE  
0 NO ADJUSTMENTS  
A = ARMY  
N = NAVY  
MC = MARINE CORPS

(1) THIS ADJUSTMENT IS ALSO MADE TO THE PRIVATE BID.

ATTACHMENT B  
Encl (1)

COMPETITIVE PROGRAM  
QUARTERLY FINANCIAL REPORT FORMAT

	<u>Prior Years</u> <u>Cumulative</u>	<u>Current</u> <u>FYTD</u>
Orders Received		
Revenue		
Cost Incurred (1)		
Direct Labor Hours Worked (Actual)		
Work in Process		
Units Inducted		
Units Physically Complete		
Units Financially Complete		
Discretionary Costs Billed (2)		

- (1) (All direct costs, associated overhead, discretionary cost and surcharges)
- (2) (These amounts should already be included in the orders and revenue amounts)

ATTACHMENT C  
Encl (1)



Quarterly Competition Progress Report Format

Competition Name:

	Authorized Amount	Cost incurred to date	Amount Remaining
CLIN #			
001			
002			
TOTAL	_____	_____	_____
Total Direct Labor Hours	Authorized	Incurred to date	Difference

ATTACHMENT D  
Encl (1)

